

## APPENDIX A.1: Total Teacher Compensation Methodology

The calculation of total teacher compensation uses personnel and salary schedule information data provided by the Department of Education and TEA.

1. **Calculation of statewide average teacher training and experience demographic.** A statewide average teacher training and experience demographic is generated based on the percentage of teachers in each cell, from a Bachelors degree with 0 years experience to a PhD degree with 30+ years experience.
2. **Calculation of weighted average teacher salary for each system.** This statewide average teaching demographic is applied to each individual system's salary schedule resulting in an average weighted teacher salary schedule for each system. Meaning, the percentage of teachers in each cell is multiplied by the salary value for the corresponding cell. These values are subsequently added together to result in a weighted average salary.
3. **Calculation of weighted average teacher insurance for each system.** In developing the weighted average insurance, a statewide analysis of PPO, HMO, and POS health plans was researched and applied, including individual and family coverage. Each school system may choose any combination of plans to offer their employees. Some systems offer all three, while some may only offer a PPO and POS or only a PPO. The weighted average cost of the insurance package is calculated by creating a grid that placed the percent of teachers statewide that chose each type of plan and then applying that to the amount that each system paid.
4. **Calculation of total teacher compensation.** The total teacher compensation for each system is determined by adding the weighted average teacher salary for each system to the weighted average insurance for each system

## APPENDIX A.2: Total Teacher Compensation Summary

|                                     | WEIGHTED<br>AVERAGE<br>SALARY | WEIGHTED<br>AVERAGE<br>INSURANCE PAID | SALARIES<br>PLUS<br>INSURANCE<br>PAID |
|-------------------------------------|-------------------------------|---------------------------------------|---------------------------------------|
| <b>Max versus Min</b>               | 35.23%                        | 126.44%                               | 37.63%                                |
| <b>Range Ratio 95-5</b>             | 25.63%                        | 78.69%                                | 26.95%                                |
| <b>Range Ratio 90-10</b>            | 17.34%                        | 64.94%                                | 20.31%                                |
| <b>Range Ratio 75-25</b>            | 9.50%                         | 26.83%                                | 8.96%                                 |
| <b>Top 10 / Bottom 10</b>           | 1.16                          | 1.77                                  | 1.17                                  |
| <b>Coefficient of Variation</b>     | 0.0715                        | 0.1760                                | 0.0712                                |
| <b>Max Salary vs. Min Salary</b>    |                               | 10.38%                                | 32.75%                                |
| <b>Range Ratio 95-5 by Salary</b>   |                               | 8.00%                                 | 23.54%                                |
| <b>Range Ratio 90-10 by Salary</b>  |                               | 31.29%                                | 19.74%                                |
| <b>Range Ratio 75-25 by Salary</b>  |                               | 10.07%                                | 9.68%                                 |
| <b>Top 10 / Bottom 10 by Salary</b> |                               | 1.09                                  | 1.15                                  |

### Review of 2004 Disparity Findings\*

|                                     | WEIGHTED<br>AVERAGE<br>SALARY | WEIGHTED<br>AVERAGE<br>INSURANCE PAID | SALARIES<br>PLUS<br>INSURANCE<br>PAID |
|-------------------------------------|-------------------------------|---------------------------------------|---------------------------------------|
| <b>Max versus Min</b>               | 35.28%                        | 155.79%                               | 37.33%                                |
| <b>Range Ratio 95-5</b>             | 24.36%                        | 95.78%                                | 24.55%                                |
| <b>Range Ratio 90-10</b>            | 15.12%                        | 67.92%                                | 17.67%                                |
| <b>Range Ratio 75-25</b>            | 5.63%                         | 33.98%                                | 7.03%                                 |
| <b>Top 10 / Bottom 10</b>           | 1.26                          | 2.02                                  | 1.28                                  |
| <b>Coefficient of Variation</b>     | 0.0688                        | 0.1894                                | 0.0691                                |
| <b>Max Salary vs. Min Salary</b>    |                               | -3.70%                                | 30.08%                                |
| <b>Range Ratio 95-5 by Salary</b>   |                               | 3.83%                                 | 21.63%                                |
| <b>Range Ratio 90-10 by Salary</b>  |                               | 1.07%                                 | 13.37%                                |
| <b>Range Ratio 75-25 by Salary</b>  |                               | 20.00%                                | 7.04%                                 |
| <b>Top 10 / Bottom 10 by Salary</b> |                               | 1.17                                  | 1.25                                  |

\* - Post 2004 revisions occurred on certain school systems